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GUEST: **Joke WALLER-HUNTER**
Director, Division for Sustainable Development
United Nations Department for Policy Coordination and Sustainable Development

JOURNALISTS: Daniel Shepard, *The Earth Times*
Judy Lessing, Radio New Zealand

MODERATOR: Michael Littlejohns

SUSTAINABLE DEVELOPMENT

Joke WALLER-HUNTER, Director of the Division for Sustainable Development in the United Nations Department for Policy Coordination and Sustainable Development, assesses global progress made since the 1992 Earth Summit in Rio. Since then, there have been many positive changes regarding the environment and development. The establishment of the Global Environment Fund has facilitated cooperation between the North and South in matters related to the protection of the environment. The United Nations Commission on Sustainable Development monitors and guides global implementation of Agenda 21 and other Rio agreements. People around the world are now more active in protecting their environment while making their communities more sustainable. Ms. Waller-Hunter calls on all governments to translate all the Earth Summit agreements into action.

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Executive Producer: Kamil Taha
Director: Ivan Stoynov
Production Assistant: Ellen McGuffie

ANNOUNCER: From United Nations Headquarters in New York, this is **World Chronicle**, an unedited interview programme about major global issues. Here now to introduce our guest is the host of today's **World Chronicle**.

LITTLEJOHNS: I'm Michael Littlejohns, and this is **World Chronicle**.

Five years ago in Brazil at the Earth Summit, world leaders agreed that urgent action was needed to promote economic and social development while preserving and protecting the environment. They adopted a plan – Agenda 21; a commitment – the Rio Declaration on Environment and Development; and a set of principles to guide the sustainable management of the world's forests. What has happened since then? Have Governments honoured their commitments? And is our environment safer now than it was five years ago?

Our guest today, Joke Waller-Hunter, is Director of the Division for Sustainable Development in the United Nations Department for Policy Coordination and Sustainable Development. Joining me to talk with Ms. Waller-Hunter are Daniel Shepard of the *Earth Times* and Judy Lessing of Radio New Zealand.

Ms. Waller-Hunter, welcome to World Chronicle.

The Earth Summit was hailed as a major achievement, and a lot of good things came out of it in grand words and declarations of principle and a plan of action and so forth, but all these things are of very little value unless Governments follow up with concrete measures. We asked the question in the introduction: What has really happened since then? Have they honoured their commitments? It seems to me they're still hacking away the rainforests in the Amazon and elsewhere; and industry is still polluting and lobbying very effectively against restrictions on pollution. What is the UN doing, and what has been done in the way of achievement?

WALLER-HUNTER: Well, that would be a very long list, if you really want me to tell what all the achievements have been since –

LITTLEJOHNS: So there have been?

WALLER-HUNTER: Definitely there have been achievements. But as we are now five years after Rio, what we have mainly seen is that all the institutional arrangements that are necessary to go from commitments to implementation are definitely in place; we've seen that Governments are changing their approach towards development to make sure that it is sustainable development, where the environment is fully taken into account, with the other objectives of social equity and sustained economic growth. But it takes a while to get the institutions in place before they can really deliver. And it's there definitely in the institutional set-up that we've seen a lot of progress.

LITTLEJOHNS: At the first environment conference in Stockholm, which I had the pleasure of attending, the blame seemed to be on the industrialized countries by the

developing countries. It was argued that they wanted to restrain development while they just went on and continued polluting. Have the developing countries changed their attitude?

WALLER-HUNTER: I think that both the developed and the developing countries have changed their attitude, because I think what Rio witnessed was really a spirit of partnership. And it is, as the Rio Declaration says, common – a shared responsibility; but they are differentiated when it comes to developing countries and developed countries.

SHEPARD: Well, wasn't Rio supposed to be a new compact for development between North and South with the North transferring resources and technology and also addressing problems of over-production and consumption? That hasn't happened, has it?

WALLER-HUNTER: I wouldn't say that it hasn't happened. It's of course maybe less than we had hoped for in Rio, especially when you look at the financial commitments that were made in Rio for transfer of financial resources from the North to the South. When it comes to the official development assistance, there there is an overall decline that we've witnessed. But if you look at the other hand, at the investments of the private sector in developing countries, that is far beyond the expectations that the delegates had in Rio. And also – I'm responding to your first question – the commitment of industry to sustainable development is certainly increasing. There's a large group of what we call forerunners that have discovered that it's worthwhile, both from an environmental point of view and from an economic point of view, to be on the safe side with the use of your energy and the use of your resources. They call it eco-efficiency: do more with less – less input, less energy, less materials; and, as an output, less pollution. And I think there we have seen really a major shift and a commitment from industry to follow-up to Rio.

LESSING: But to pick up on what Daniel said, there was an unwritten agreement before Rio to bring the countries of the South, the developing world, on board. There had, as you said, to be some help from the richer nations. It's fine and very admirable that businesses are coming on board and seeing the very good sense that this makes, but it does seem to me that there is not only a drop-off of official development aid, ODA, but also there's just not the sort of excitement and political will you would think you would need to get this going. And aren't we in danger of letting southern countries, developing countries, say, you haven't really helped us very much, why should we bother? Why don't we just go back to the old ways?

WALLER-HUNTER: Well, let me take it from two sides. First of all, the developing countries do consider the environment as an important issue, by themselves, even without support from the North. But if you look at international funding – there were two conventions signed in Rio: the Climate Convention and the Convention on Biodiversity; the Convention on Desertification was signed after Rio. Now, all three are in force. They have

a financial mechanism which is called the Global Environment Facility. And the developing countries' projects that they implement in order to meet the objectives of these conventions are funded through this Global Environmental Facility, if the costs for these projects are more than would have been the case if they hadn't taken these environmental precautions. And I think there the North is definitely living up to the commitments that were made. The GEF is–

LITTLEJOHNS: GEF, what's that?

WALLER-HUNTER: The Global Environment Facility is a very successful operation.

LITTLEJOHNS: That's a fund, isn't it?

WALLER-HUNTER: That's a fund that is commonly administered by the World Bank and the UNDP to deal with what we call the global issues.

LITTLEJOHNS: How large a fund?

WALLER-HUNTER: The second replenishment of the fund, which took place in 1995, was $2 billion. And that's quite substantive. And cooperation on these global issues definitely between North and South has materialized.

LITTLEJOHNS: But how is this money distributed, and on what basis?

WALLER-HUNTER: It's distributed on the basis of that it should fund projects that are aimed at extra costs the developing countries must make if they carry out projects to protect the climate, the atmosphere, especially to protect from climate change, when they have projects in the field of biodiversity, projects on international waters, and the project to protect the ozone layer. These are the four main areas, but everything is so much interlinked that when you protect biodiversity you may fund forest projects. When you would like to highlight the functions that forests fulfil in capturing those gases that also cause climate change, then there is a kind of common interest, and the Global Environment Facility delivers in this process the funds needed for these kinds of projects.

SHEPARD: People say political will is needed to help promote sustainable development. Has there been the political will to make this happen in the last five years, or has it dropped off since the actual conference?

WALLER-HUNTER: First of all, implementation is not as exciting as making commitments. If it comes to political will, I think we all know what is needed, that the environment is not a free good, but that the costs for keeping the environment clean should be internalized in the prices of goods and services, that we have to pay for environmental services. And it's–there is a need for a lot of political will to take those decisions that affect your tax system, making energy more expensive through special taxes. But there I must agree with you that the political will is not always there to make that, to take these measures that are not very popular from the political point of view. And there I think the

expectations were somewhat higher in Rio than when we look now at the results, implementation at the national level, especially in industrialized countries.

LESSING: But again, Daniel mentioned political will, and we've all used the word excitement. If it's dropped off, how can the UN and the Governments ratchet it up so that we are again excited?

WALLER-HUNTER: I think it's quite important to learn from the successes. One of the major successes is the implementation of Agenda 21 at the very local level. Almost 3000 communities in the world in more than 40 countries are now developing what they call local Agenda 21. And what they do is try to get the whole community behind it, not just the local government, but involve your various environment groups, involve your consumer groups, your women's group, involve local business and try to get a plan for your community. And that's really building up, and that work got an enormous boost from the Habitat II Conference [United Nations Conference on Human Settlements, Istanbul, Turkey, 1996] that was held in Istanbul–

LITTLEJOHNS: That was the conference on urban development.

WALLER-HUNTER: –urban development–where many mayors participated and were so proud of presenting their local Agenda 21. That's definitely a success where we see the commitment. And four years after Rio it's not bad to see this movement coming down from the very high global level, Rio, to the lowest level possible. And, well, you know the slogan, "think globally, act locally"? I think this has very much come through, after Rio.

SHEPARD: But is it realistic to think that sustainable development can occur in the world's poorest countries without extra resources, financial resources from the industrialized countries?

LITTLEJOHNS: Well, that's the purpose of this Facility, isn't it?

WALLER-HUNTER: No, not only, no, of course not. I think Daniel is quite right, that you have to have ODA at the highest possible level to assist the least developed countries. They are so very dependent on ODA that definitely there the commitment of Rio–

LITTLEJOHNS: Overseas development assistance.

WALLER-HUNTER: –Yes–there the aid should really be continuous and high. You can't expect that the least developed countries would take environmental measures, or–well, in order to grow, they have to grow first before they can think about incorporating environmental measures into their development. And the need for official development assistance from these countries is quite evident, as it was in 1992.

SHEPARD: What do you think the General Assembly can do this year when it reviews the Rio Conference? How will it help promote sustainable development? What will it do to the process?

WALLER-HUNTER: We very much hope that the special session will revitalize and kind of re-energize the whole commitment to sustainable development, which in my view has not waned, it's still there, given the fact that so many people around the world are really working with Agenda 21, and are implementing, and get a lot of excitement out of that. Youth is quite active, for instance. But I think the publicity that the special session will generate will kind of reinforce the message that came from Rio. It's also quite important that Governments indeed recommit themselves. And also in the areas where we've seen that new international discussions have taken place, for instance, in the field of forests, when two years of [United Nations] Intergovernmental Panel on Forests follow-up to what happened in Rio is now showing that there is more international consensus. Again, this consensus will translate into more financial support to implement these agreements. We also hope that the same will happen in the field of energy. In Africa still 2 billion people do not have access to commercial energy. We know that. And the special session may be an opportunity to highlight the importance of energy for sustainable development and also assist—give more assistance to those countries that are definitely in need for energy for development and do not have access at this moment.

Water is another area. We know now that water is a much more severe problem than we knew in 1992. There is a global water assessment that has been done, and it shows that by 2025 half of the world population will have a water problem. Knowing that now I think requires action to be taken at the special session.

LITTLEJOHNS: This is World Chronicle. Our guest is Joke Waller-Hunter, Director of the Division for Sustainable Development in the United Nations Department for Policy Coordination and Sustainable Development. Ms. Waller-Hunter, you're from the Netherlands. What is the record of the European countries, particularly those of Western Europe, in the area of follow-up to the summit? Is it good?

WALLER-HUNTER: In some instances I think they are faithful partners in the implementation. They live up to their commitment as far as the various conventions are concerned. They have taken many measures to improve their pollution record.

LITTLEJOHNS: Have they cleaned up the Rhine, for instance?

WALLER-HUNTER: They have definitely cleaned up the Rhine, yes. That is, if you compare that situation to about 20 years ago, the target was to have the salmon back in the River Rhine by 2000; it was there before. So there is—in terms of pollution control, there is definitely a shift for the good. In terms of some of the areas, thinking about the

contribution that transport is making to overall pollution, there we see a huge increase in transport, and although cars are more efficient and less polluting, the growth in numbers outweighs these kinds of results that have been achieved. I think transport was not so much addressed in Rio, but we know now that it's one of the major problems when it comes to sustainable development.

LESSING: Could I ask a little bit about trade, because international trade, free trade, often you get a small developing country which says, we need access, we only have one or two products that we make or that we grow, and please, open your doors so that we, ourselves, can get some income. But isn't there a problem between trade policy sometimes and sustainable development on the other? They could work hand in hand, but so often they don't. And we're seeing instances where Governments are doing a bit of sleight of hand, going around the back door so that they can have freer trade, but it isn't necessarily good for the—ultimately good for the long-term environment.

WALLER-HUNTER: Here again the picture is—well, it has a lot of nuances. The whole trade liberalization, the finalization of the Uruguay Round was more or less at the same time as Rio, so Uruguay and Rio were kind of—

LITTLEJOHNS: The General Agreement on Tariffs and Trade.

WALLER-HUNTER: And that set in motion the trade liberalization. I think that was unprecedented. And the impact of that is that a number of countries indeed do have better access to the world markets. Some of the least developed countries, mainly in Africa, may not benefit at this stage so much from it. But we've also seen that in the environmental field there are more measures taken to make sure that the products that we buy in the shops are more environmentally sound. And the various products—you know, we have all these kinds of project information, eco-labels, and here again, the taste of the consumer has changed. Here in this country, in the United States, you see, for instance, that the share of green products is increasing. Of course, for the developing countries there is a threat, because they have to meet different standards, and they kind of see that as a barrier to trade, because they are suddenly—they have to meet all the environmental regulations on products in the industrialized world, and that may cause problems. On the other hand, there are also many more opportunities, because some of the countries are adjusting their exports at a very early stage to meet the new requirements, and they find new export opportunities in so-called green trade, green exports.

LITTLEJOHNS: Environmentally friendly.

WALLER-HUNTER: Environmentally friendly products that are normally also healthier.

LITTLEJOHNS: But is this happening in the so-called third world as well? Are they environmentally conscious about products?

WALLER-HUNTER: Some countries, like India, have introduced what they call an eco-label – this is a little stamp or a little logo on a product which shows that the product is safe for the environment. And I think there are more examples. But the developing countries' consciousness – and I really would like to repeat, I think that the developing countries really have taken the lessons of Rio to heart. When you attend the meetings of the Commission on Sustainable Development here at the United Nations – it meets every year to see how Governments are living up to what happened in Rio – and see how they continue the policies.... And I feel it's quite heartening to see how much the developing countries have changed also their national policies to make sure that they are more environmentally sound. And really, when I look at the overall performance, I think developing countries have done an excellent job.

SHEPARD: As foreign assistance from industrialized countries to the developing has fallen, people say that the market and private investment will help pick up the slack, yet many people say that a lot of that private money just goes to a handful of developing countries. Do you think the market and private investment can be a reliable partner in promoting sustainable development?

WALLER-HUNTER: They are, I think, a reliable partner. Because we see that many sectors in the private sector have now codes of conduct which say that they will apply the same standards, environmental standards, when they invest in a developing country as the standards that they apply at home. And of course there are always exceptions to those rules, but overall I think the commitment of industry there, that whatever they do in terms of investment is green, is increasing. It's also good to see that financial institutions like banks now take the environment into account when they assess the risks of their investment. Also that commitment to investments that are friendly for the environment I think is increasing.

If you say that a limited number of countries are benefitting from the enhanced private investment, that's true. And we all know that there are a lot of conditions to be met before private industry takes the risk of investing in countries. You need a stable economic climate, you need a level of democracy that is needed before all the risks can be overcome that otherwise a private country does not want to run. And I think one of the problems and unfulfilled expectations is indeed that the overall financial flow to the least developed countries, and that's what we end up with, is not what we had hoped that it would be when we met in Rio.

LESSING: When we all met in Rio, and I suppose most everyone around the table – and we've heard of Rio even if we weren't there.

LITTLEJOHNS: I was not there. I was at Stockholm, but not in Rio.

LESSING: Oh! Well, you get great points for that, Michael, really! But really, we were talking about—we have to address the West's consumption patterns. You can't really look at a very poor country and say they should address their consumption patterns because you realize they're using things over and over and over. They really are being very responsible. But what are you going to do, and how can the UN encourage a reduction of consumption by Western countries, and so a related reduction of, say, the emission of greenhouse gases? I mean, this—we talk about lifestyles and raising lifestyles, and these raising lifestyles are killing to planet, or helping to.

WALLER-HUNTER: Right. Well, changing consumption and production patterns is an issue that has been discussed intensively since Rio, and there is much more willingness also to address the issue of lifestyle. You may remember from Rio that it was very difficult to mention the issue of lifestyle because it was not for some countries acceptable to discuss lifestyle. We've seen that after the Rio Summit the Organization of Economic Cooperation and Development, the OECD, in Paris, where all the industrialized countries are meeting, came up with an extensive programme on changing consumption and production patterns, addressing very difficult issues like how could you reduce your emissions from the polluting activities like energy generation, transport, trying to look at what are the underlying mechanisms. The Commission on Sustainable Development itself has also adopted a programme, a work programme on changing consumption and production patterns. There are many Governments who have hosted meetings to address the issue and to come to grips with it. Because changing consumption and production patterns is not a purpose in itself, it's a strategy to get less pollution and to get behaviour that is more environmentally friendly.

LESSING: And are you seeing successes with all of these conferences and these meetings?

WALLER-HUNTER: I see successes, yes, definitely. But I see also failures. And that's coming back to the issue of political will, because we all know that the wallet is the best educator. As long as the costs of pollution, the costs of degradation in the environment are not reflected in prices, it will be very difficult to change really the behaviour and to come to sustainable consumption and production methods.

LESSING: You're talking about higher taxes, aren't you?

WALLER-HUNTER: I'm talking about certain environmental taxes that are necessary and that would definitely be more effective than all the voluntary action that is ongoing—

LITTLEJOHNS: That idea is never going to fly, as you know. I mean, people are groaning under taxes in Europe; in the United States they're trying to roll back taxes. So you're never going to get that.

WALLER-HUNTER: There are some examples where you – for instance, if you look at the willingness overall to have taxes on tobacco, that's worldwide –

LITTLEJOHNS: Taxes on what?

WALLER-HUNTER: Tobacco, smoking, cigarettes. It took a while to get those introduced. I think more and more countries – and we've got examples that we are collecting, examples of successful use of taxes. There are many examples in Europe where taxes on pollution have been introduced. Maybe not yet as – energy there, again, is the vital issue.

SHEPARD: A carbon tax?

WALLER-HUNTER: Well, a carbon tax or whatever other form a Government would like to choose. We know that very recently the European Commission came up with a proposal to have a minimum tax on all fuels throughout the European Union. That is a step. It's not a carbon tax, but definitely a step that would make a huge difference. And what I've mentioned, the so-called eco-efficiency, trying to produce more with less, that technology definitely has advanced.

LITTLEJOHNS: Ms. Waller-Hunter, that's all the time we have. I'm sorry to have to interrupt you. Thank you for being with us on this edition of **World Chronicle**.

Our guest has been Joke Waller-Hunter, Director of the Division for Sustainable Development in the United Nations Department for Policy Coordination and Sustainable Development. She was interviewed by Daniel Shepard of the *Earth Times* and Judy Lessing of Radio New Zealand.

I'm Michael Littlejohns. Thank you for joining us. We invite you to be with us for the next edition of **World Chronicle**.

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